

PREPARED BY:  
JENNIFER FITZGERALD  
OPTION ONE MORTGAGE CORPORATION  
6501 IRVINE CENTER DRIVE  
IRVINE, CALIFORNIA 92618

When Recorded Mail To:  
FIRST AMERICAN TITLE  
P.O. BOX 27670  
SANTA ANA, CA 92799-7670

[Space Above This Line for Recording Data]  
Original Recorded Date: NOVEMBER 21, 2006 Fannie Mae Loan No. [REDACTED]  
Original Principal Amount: \$ 435,000.00 Loan No. [REDACTED]

**LOAN MODIFICATION AGREEMENT**  
(Providing for Step Interest Rate)

This Loan Modification Agreement ("Agreement"), made this **7TH** day of **MAY, 2008**  
between [REDACTED]

("Borrower") and **OPTION ONE MORTGAGE CORPORATION**

("Lender"),

amends and supplements (1) the Mortgage, Deed of Trust or Security Deed (the "Security Instrument"), and  
Timely Payment Rewards Rider, if any, dated **NOVEMBER 13, 2006** and recorded in  
Instrument No. [REDACTED], of the **Official** Records of

**LOS ANGELES COUNTY, CALIFORNIA**

(Name of Records)

(County and State, or other jurisdiction)

, and (2) the Note bearing the same date as, and

secured by, the Security Instrument, which covers the real and personal property described in the Security  
Instrument and defined therein as the "Property", located at

[REDACTED]  
(Property Address)

the real property described being set forth as follows:

**SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF;**

In consideration of the mutual promises and agreements exchanged, the parties hereto agree as follows (notwithstanding anything to the contrary contained in the Note or Security Instrument):

1. As of **JUNE 1, 2008**, the amount payable under the Note and the Security Instrument (the "Unpaid Principal Balance") is U.S. \$ **466,927.73** consisting of the unpaid amount(s) loaned to Borrower by Lender plus any interest and other amounts capitalized.
2. Borrower promises to pay the Unpaid Principal Balance, plus interest, to the order of Lender. Interest will be charged on the Unpaid Principal Balance for the first year at the yearly rate of **5.000000 %** from **JUNE 1, 2008**, and Borrower promises to pay monthly payments of principal and interest in the amount of \$ **2,561.62** beginning on the **1ST** day of **JULY, 2008**. During the second year, interest will be charged at the yearly rate of **5.010000 %** from **JUNE 1, 2009**, and Borrower shall pay monthly payments of principal and interest in the amount of \$ **2,564.36** beginning on the **1ST** day of **JULY, 2009**. During the third year, interest will be charged at the yearly rate of **5.500000 %** from **JUNE 1, 2010**, and Borrower shall pay monthly payments of principal and interest in the amount of \$ **2,696.75** beginning on the **1ST** day of **JULY, 2010**. During the fourth year and continuing thereafter until the Maturity Date (as hereinafter defined), interest will be charged at the yearly rate of **6.000000 %**, from **JUNE 1, 2011**, and Borrower shall pay monthly payments of principal and interest in the amount of \$ **2,831.36** beginning on the **1ST** day of **JULY, 2011** and shall continue the monthly payments thereafter on the same day of each succeeding month until principal and interest are paid in full. If on **DECEMBER 01, 2036**, (the "Maturity Date"), Borrower still owes amounts under the Note and Security Instrument, as amended by this Agreement, Borrower will pay these amounts in full on the Maturity Date.
3. If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by the Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by the Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by the Security Instrument without further notice or demand on Borrower.




4. Borrower also will comply with all other covenants, agreements, and requirements of the Security Instrument, including without limitation, Borrower's covenants and agreements to make all payments of taxes, insurance premiums, assessments, escrow items, impounds, and all other payments that Borrower is obligated to make under the Security Instrument; however, the following terms and provisions are forever canceled, null and void, as of the date specified in paragraph No. 1 above:
  - (a) all terms and provisions of the Note and Security Instrument (if any) providing for, implementing, or relating to, any change or adjustment in the rate of interest payable under the Note, including, where applicable, the Timely Payment Rewards rate reduction, as described in paragraph 1 of the Timely Payment Rewards Addendum to Note and paragraph A.1. of the Timely Payment Rewards Rider. By executing this Agreement, Borrower waives any Timely Payment Rewards rate reduction to which Borrower may have otherwise been entitled; and
  - (b) all terms and provisions of any adjustable rate rider or Timely Payment Rewards Rider, where applicable, or other instrument or document that is affixed to, wholly or partially incorporated into, or is part of, the Note or Security Instrument and that contains any such terms and provisions as those referred to in (a) above.
  
5. Borrower understands and agrees that:
  - (a) All the rights and remedies, stipulations, and conditions contained in the Security Instrument relating to default in the making of payments under the Security Instrument shall also apply to default in the making of the modified payments hereunder.
  - (b) All covenants, agreements, stipulations, and conditions in the Note and Security Instrument shall be and remain in full force and effect, except as herein modified, and none of the Borrower's obligations or liabilities under the Note and Security Instrument shall be diminished or released by any provisions hereof, nor shall this Agreement in any way impair, diminish, or affect any of Lender's rights under or remedies on the Note and Security Instrument, whether such rights or remedies arise thereunder or by operation of law. Also, all rights of recourse to which Lender is presently entitled against any property or any other persons in any way obligated for, or liable on, the Note and Security Instrument are expressly reserved by Lender.
  - (c) Borrower has no right of set-off or counterclaim, or any defense to the obligations of the Note or Security Instrument.
  - (d) Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Note and Security Instrument.
  - (e) All costs and expenses incurred by Lender in connection with this Agreement, including recording fees, title examination, and attorney's fees, shall be paid by the Borrower and shall be secured by the Security Instrument, unless stipulated otherwise by Lender.
  - (f) Borrower agrees to make and execute such other documents or papers as may be necessary or required to effectuate the terms and conditions of this Agreement which, if approved and accepted by Lender, shall bind and inure to the heirs, executors, administrators, and assigns of the Borrower.

OPTION ONE MORTGAGE CORPORATION



\_\_\_\_\_  
Name: \_\_\_\_\_ (Seal)  
Its: ASSISTANT SECRETARY - Lender

\_\_\_\_\_  
 \_\_\_\_\_ (Seal)  
- Borrower

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (Seal)  
- Borrower

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\_\_\_\_\_ (Seal)  
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\_\_\_\_\_ (Seal)  
- Borrower



\_\_\_\_\_ [Space Below This Line for Acknowledgment] \_\_\_\_\_

**BORROWER'S ACKNOWLEDGMENT**

State of California )

County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, personally appeared

\_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

**LENDER'S ACKNOWLEDGMENT**

State of California )

County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, personally appeared

\_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)



OPTION ONE MORTGAGE CORPORATION

### ERRORS AND OMISSIONS COMPLIANCE AGREEMENT

In consideration of  
OPTION ONE MORTGAGE CORPORATION

(the "Lender") agreeing to modify the referenced loan (the "Loan") to the Borrower, the Borrower agrees that if requested by the Lender, the Borrower will correct, or cooperate in the correction of, any clerical errors made in any document or agreement entered into in connection with the modification of the Loan, if deemed necessary or desirable in the reasonable discretion of the Lender, to enable Lender to sell, convey, seek guaranty or market the Loan to any entity, including without limitation, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, the Federal Housing Authority, the Department of Veterans Affairs or any municipal bond authority.

The Borrower agrees to comply with all such requests made by the Lender within 30 days of receipt of written request from the Lender. Borrower agrees to assume all costs that may be incurred by the Lender, including without limitation, actual expenses, legal fees and marketing losses, as a result of the Borrower's failure to comply with all such requests within such 30 day time period.

The Borrower makes this agreement in order to assure that the documents and agreements executed in connection with the modification of the Loan will conform to and be acceptable in the marketplace in the event the Loan is transferred, conveyed, guaranteed or marketed by the Lender.

\_\_\_\_\_  
Date

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Date

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Date

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